

**STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

Before the Director of the Department of Insurance and Financial Services

In the matter of:

Hose Terrell Taylor, Jr.
Unlicensed

Enforcement Case No. 20-16291

Destinee Raylyn Reaves
Unlicensed

Respondents.

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**Issued and entered
on January 26, 2021
by Randall S. Gregg
Senior Deputy Director**

**ORDER TO CEASE AND DESIST WITH STATEMENT OF FINDINGS
AND NOTICE OF OPPORTUNITY FOR HEARING**

Pursuant to Section 251 of the Michigan Insurance Code (Code), MCL 500.251, and after reviewing evidence of the conduct described in the attached Statement of Findings, and

WHEREAS, the Director of the Department of Insurance and Financial Services finds that immediate action is necessary and appropriate in the public interest for the protection of the public health, safety, and welfare, and consistent with the purposes fairly intended by public policy and provisions of the Code,

IT IS THEREFORE ORDERED THAT:

1. Respondentss shall immediately **CEASE AND DESIST** from all activities in violation of the Code as described in the Statement of Findings.
2. A copy of this Order shall be immediately served upon Respondentss. As to any Respondent, this Order shall be effective upon the date of service.
3. Respondentss will have 30 calendar days after the service of this Order to contest it by requesting a hearing. Within 10 calendar days after receiving the request, the hearing process shall commence. This Order shall remain in effect until further order of the Director. Any request for a hearing should be addressed to the Department of Insurance and Financial Services, Attention: Randie Swinson, Hearings Coordinator, P.O. Box 30220, Lansing, MI 48909-7720 or faxed to 517-284-8843.

4. Any such hearing held shall address the following issues:
 - a. The facts set forth in the Statement of Findings.
 - b. The continuation of the Order to Cease and Desist.
 - c. Restitution to be paid by Respondents.
5. If a hearing is requested, an administrative law judge from the Michigan Office of Administrative Hearings and Rules shall preside over any such hearing.
6. The Director retains jurisdiction of the matters contained herein and the authority to issue such further Orders as shall be deemed just, necessary, and appropriate.
7. Pursuant to Section 251(6) of the Code, MCL 500.251(6), a person who violates or otherwise fails to comply with an Order to Cease and Desist is subject to one or more of the following:
 - a. Payment of a civil fine of not more than \$1,000.00 for each violation not to exceed an aggregate civil fine of \$30,000.00. However, if the person knew or reasonably should have known the conduct was in violation of the cease and desist order, the person shall be subject to a civil fine of not more than \$25,000.00 for each violation not to exceed an aggregate civil fine of \$250,000.00.
 - b. Suspension or revocation of the person's license or certificate of authority.
 - c. Complete restitution, in the form, amount, and within the period determined by the Director, to all persons in Michigan damaged by the violation or failure to comply.



Randall S. Gregg
Senior Deputy Director

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STATEMENT OF FINDINGS

1. Pursuant to Section 251(1) of the Code, MCL 500.251(1), the Director is empowered to issue a cease and desist order if the Director finds any of the following:
 - (a) A person is conducting transactions of insurance for which a certificate of authority is required by this act without having obtained a certificate of authority.
 - (b) A person is acting as an insurance agent, solicitor, adjuster, or counselor without a license as required by this act.
 - (c) A person is engaged in an act or practice in the business of insurance for which authority from or notification to the commissioner is required by this act and the person has not received authority or given notification.
 - (d) A person authorized to engage in the business of insurance under this act is engaged in conduct that presents an immediate danger to public health, safety, or welfare. MCL 500.251(1).

2. Under Section 1201a(1) of the Code, it is a violation for a person to sell, solicit, or negotiate insurance in this state for any line of insurance without first obtaining a license or qualification for that line. MCL 500.1201a(1).
 - a. "Negotiate" means the act of conferring directly with or offering advice directly to a purchaser or prospective purchaser of a particular contract of insurance concerning any of the substantive benefits, terms, or conditions of the contract, provided that the person engaged in that act either sells insurance or obtains insurance from insurers for purchasers. MCL 500.1201(m).
 - b. "Sell" means to exchange a contract of insurance by any means, for money or its equivalent, on behalf of an insurance company. MCL 500.1201(n).

- c. "Solicit" means attempting to sell insurance or asking or urging a person to apply for a particular kind of insurance from a particular company. MCL 500.1201(o).
3. Under Section 1208a of the Code, an insurance producer shall not act as an agent of an insurer unless the insurance producer becomes an appointed agent of that insurer. MCL 500.1208a(1).
4. DIFS Staff received information about possible unlicensed activity by Hose Terrell Taylor, Jr. (Respondent Taylor) and Destinee Raylyn Reaves (Respondent Reaves), collectively Respondents. A review of DIFS' records revealed that Respondents are not licensed under the Code.
5. After an investigation, DIFS Staff concluded that Respondents have engaged in activities regulated by the Code, without the requisite license, and have violated the insurance laws of this state.
6. Respondent Taylor maintains a Facebook profile under his name "Hose Taylor." Respondent Taylor also goes by the name "Rich Rozay". The photograph posted on the "Hose Taylor" Facebook profile appears to match the photograph of Respondent Taylor's state-issued ID.
7. Respondent Taylor posted multiple advertisements for fraudulent automobile insurance on Facebook using his Facebook profile, as follows:
 - a. "Who need Car Insurance That Dont Expire Within 2months ? #statefarm all deals include RoadSide"
8. Respondent Reaves maintains multiple Facebook profiles, one under the name "Naomi Osaka." The photograph posted on the "Naomi Osaka" Facebook profile appears to match the photograph of Respondent Reaves' state-issued ID. Respondent Reaves also maintains the email address: brudamib@gmail.com.
9. Respondent Reaves posted multiple advertisements for fraudulent automobile insurance on Facebook using her "Naomi Osaka" Facebook profile, as follows:
 - a. "Statefarm auto ins New Year Special 6months no fault \$180 6months full coverage \$295 12months full coverage \$400 Available to use at Any sos Call 3136320135 now"
 - b. "Who need Car Insurance That Won't Expire Within 2months ? #statefarm"
10. DIFS' investigation found that Michigan Department of State (MDOS) received a fraudulent certificate of insurance issued through "Rich Rozay" from the email address "brudamib@gmail.com". MDOS also discovered 31 other fraudulent certificates of insurance that utilized the same policy numbers as those on the certificate originating from Respondents.
11. By soliciting insurance as an unlicensed producer, Respondents violated Section 1201a(1) of the Code, MCL 500.1201a(1).
12. By attempting to sell insurance as an agent of State Farm without an appointment, Respondents violated Section 1208a(1) of the Code, MCL 500.1208a(1).

13. By attempting to divert funds from the public in exchange for fraudulent insurance policies, Respondents violated Section 4503(g)(i) of the Code, MCL 500.4503(g)(i).
14. By issuing a fraudulent certificate of insurance, Respondents violated Sections 2271(b) and 3101a(5) of the Code, MCL 500.2271(b) and 500.3101a(5).
15. Based on the aforementioned findings, Respondents are engaged in an act or practice in the business of insurance for which authority from or notification to the Director is required by the Code, and Respondents have not received authority nor given notification.
16. Respondents are subject to sanctions under Sections 150, 1239(1)(f), 1239(2)(e), and 1244 of the Code, MCL 500.150, 500.1239(1)(f), 500.1239(2)(e), and 500.1244. Furthermore, if the above facts are found to be true, Respondents' violations of Sections 3101a(5) and 4503(g)(i) of the Code may also be considered a misdemeanor under Section 3101a(5) of the Code, MCL 500.3101a(5) and a felony under Section 4511 of the Code, MCL 500.4511.